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Audit Reports

Summary

This document provides extracts from the financial statements of executing agencies relating to the funds allocated to them by the United Nations Population Fund as at 31 December 1990. The report also contains a proposal for a new UNFPA financial regulation covering standard basic agreements with United Nations executing agencies. In addition, it contains the comments of the Executive Director concerning the interim report of the United Nations Board of Auditors on the United Nations Population Fund for the year ended 31 December 1990, the first year of the biennium 1990-1991. It also contains a detailed progress report on steps taken to implement previous recommendations of the Board of Auditors in response to General Assembly resolution 46/183, paragraph 14(a), of 20 December 1991.

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Introduction

1. In accordance with Governing Council decision 91/36 of 30 June 1991, adopted at its thirty-eighth session, and General Assembly resolution 46/183 of 20 December 1991, adopted at its forty-sixth session, the Executive Director wishes to bring to the attention of the Council the Interim Report of the Board of Auditors on the United Nations Population Fund for the first year of the biennium 1990-1991 (A/46/5/Add.7). This document includes a detailed progress report on the steps UNFPA has taken to implement previous recommendations of the Board of Auditors. It also presents the recommendations contained in the Board's interim report and discusses the measures taken by UNFPA to address them.

2. In paragraph 6 of resolution 45/235 of 21 December 1990, the General Assembly approved the changes in the financial procedures of UNFPA, as recommended by the Governing Council in its decision 90/36. As a consequence, the Board of Auditors will issue its report on the financial statements and relevant schedules of UNFPA relating to the accounts for the financial period on a biennial basis, beginning with the biennium 1990-1991. The financial report and audited financial statements for the biennium ended 31 December 1991 and the Report of the Board of Auditors will be issued as Official Records of the General Assembly, Forty-seventh Session, Supplement No. 5G (A/47/5/Add.7).

3. The General Assembly, in resolution 45/235, and the Governing Council, in decision 90/36, also invited the Board of Auditors to issue an interim report for the first year of a biennium through the Advisory Committee on Administrative and Budgetary Questions (ACABQ) if, in the opinion of the Board, there were matters that needed to be brought to the attention of the Governing Council and/or the General Assembly. The Board of Auditors submitted such a report to the ACABQ which, in view of the issues raised, decided not to comment on the report.

4. The Board of Auditors issued the interim audit report on UNFPA (A/46/5/Add.7) in order to convey information on its observations during the first year of the current biennium 1990-1991. The primary objective of this report was to provide up-to-date information in order to facilitate decision making and to expedite the taking of prompt remedial action. The Board of Auditors continued its normal practice of reporting the results of specific audits at headquarters and in the field and of issuing management letters to the administration.

A. The Board's previous recommendations taken up by the Fifth Committee of the forty-sixth General Assembly

5. Having considered, inter alia, the interim report of the Board of Auditors on UNFPA, the forty-sixth General Assembly adopted resolution 46/183, which concerned, inter alia, the following issues pertaining to UNFPA: (a) the qualification of the audit opinion of the Board of Auditors; (b) standard basic executing agency agreements; and (c) reporting by staff of inappropriate uses of resources.

Qualification of the audit opinion of the Board of Auditors

6. General Assembly resolution 46/183 requested that the executive heads of United Nations organizations and programmes "intensify vigorously their efforts to correct or improve the conditions that gave rise to the qualification of the audit opinion of the Board of Auditors" (para. 14(a)); and that they "submit to the General Assembly at its forty-seventh session, through their respective governing bodies, detailed progress reports on steps taken to implement previous recommendations of the Board of Auditors" (para. 17(a)).

7. In the past few years, UNFPA financial statements have received a qualified audit opinion from the United Nations Board of Auditors for failing to provide audited statements of programme expenditures from all of its executing agencies. The Fund has diligently sought to obtain the timely submission of audit certificates and statements of expenditures from United Nations executing agencies, an issue that has been of considerable concern to UNFPA's legislative bodies. In 1989, UNFPA expenditures executed by United Nations organizations (excluding UNFPA) totalled $99.2 million, comprising $88.3 million of programme expenditures and $10.9 million of agency support costs. At the time of the Board's 1989 audit of UNFPA accounts, of the United Nations specialized agencies, only the World Health Organization (WHO) had submitted an audited statement of expenditures, which totalled $29.2 million. However, the International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) had not submitted audited statements for their expenditures, which amounted to $27.0 million. All other pertinent United Nations organizations and programmes (see para. 10) had submitted audited expenditure statements amounting $43.0 million. Therefore, in 1989, $27.0 million out of $99.2 million (or 27.2 per cent) of programme expenditures of United Nations executing agencies remained unaudited. In the Fund's opinion, the submission of UNFPA's financial statements on a biennial basis, as approved by the General Assembly in resolution 45/235, should remove the audit qualification on its financial statements, provided the executing agencies submit their audit certificates to the Board in a timely manner.

8. The timely submission of audited certificates was also raised at the thirty-eighth session of the Governing Council, and again in the Fifth Committee of the forty-sixth session of the General Assembly. In both fora, a number of delegates requested that UNFPA provide the Board of Auditors with a timetable indicating whether the audited financial statements of United Nations executing agencies would be received by the Board in a timely manner. In the past, the Fund usually received such information after the Board had completed its examination of the UNFPA financial statements. Consequently, the audit opinion on the financial statements of UNFPA was qualified.

9. In order to correct this situation, the Executive Director wrote to the heads of all United Nations executing agencies of UNFPA-funded projects, requesting the timely issuance of the required audited financial statements of UNFPA projects. UNFPA also requested information on the steps that the agencies would take, or were taking, to ensure that UNFPA obtained the audited statements on or before 30 April 1992. All United Nations specialized agencies complied with these requests, except for FAO, which asked for an extension to mid-1992 due to technical difficulties encountered during the implementation of a major upgrade of its computerized accounting and reporting systems. (It should be noted that such technical difficulties affect all of FAO's programme accounts, not just those of UNFPA-funded projects.)

10. The United Nations Board of Auditors are the external auditors of UNFPA as well as the auditors of the United Nations regional economic commissions and other United Nations organizations and programmes that execute projects funded by UNFPA. These are as follows:

Department of Technical Co-operation for Development (UN/DTCD)
Department of International Economic and Social Affairs (UN/DIESA)
Economic Commission for Africa (ECA)
Economic Commission for Europe (ECE)
Economic Commission for Latin America and the Caribbean (ECLAC)
Economic and Social Commission for Asia and the Pacific (ESCAP)
Economic and Social Commission for Western Asia (ESCWA)
United Nations Children's Fund (UNICEF)
United Nations Development Programme/Office for Project Services (UNDP/OPS)
United Nations Environment Programme (UNEP)

11. These organizations have all indicated their willingness to comply with the financial reporting requirements of UNFPA. They have further indicated, however, that they cannot assure UNFPA that the audited statements of their expenditures will be submitted to the Fund by the 30 April deadline. They have pointed out in this regard that the United Nations Board of Auditors is the same Board of Auditors that audits and issues an audit opinion on their financial statements. Furthermore, the United Nations regional economic commissions and the United Nations Department of Technical Co-operation for Development have pointed out that they are part of the United Nations Secretariat and their accounts are therefore consolidated with -- and form part of -- the audited financial statements of the United Nations. As such, they are covered by the audit certificate issued by the United Nations Board of Auditors, with relation to the accounts of the United Nations. When approached by some of the organizations in this regard, the Board answered that it does not issue a separate audit opinion on the programme expenditures and programme support costs funded by UNFPA. The UNFPA external auditors have indicated that the exchange of the required audit information is ensured by the Board of Auditors internally and that, accordingly, for the audit exercise of the 1990-1991 biennium no separate audited statements will be required for those organizations and programmes under the audit responsibility of the Board of Auditors.

Standard basic executing agency agreements

12. In resolution 46/183, paragraph 12, the General Assembly urged the United Nations Development Programme and United Nations organizations designated as executing agencies of UNDP expeditiously to conclude standard basic executing agreements and to ensure that these agreements, including existing agreements, provide for appropriate accountability with regard to UNDP funds, which is mandated in its financial regulations. A review of UNFPA financial regulations indicates that UNFPA does not have a financial regulation similar to UNDP's Financial Regulation 8.10(b), which authorizes UNDP to enter into agreements with United Nations agencies executing projects financed from UNDP funds. However, resolution 46/183 did not refer specifically to UNFPA.

13. In the absence of legislative authority for UNFPA to enter into standard basic agreements with United Nations agencies executing projects financed by UNFPA, the Fund consulted the United Nations General Legal Division and requested its assistance in preparing such agreements with United Nations executing agencies. The

United Nations General Legal Division felt that UNFPA should seek specific legislative authority from the Governing Council in this respect. UNFPA has already begun the necessary work to develop and complete an expanded standard basic agreement which would cover a number of issues, including the submission of audited accounts by executing agencies. UNFPA proposes that the Governing Council adopt the following new regulation (UNFPA Financial Regulation 8.9), patterned after UNDP Financial Regulation 8.10(b):

> **Agreements shall be entered into between UNFPA and executing agencies which are organizations of the United Nations system, specifying the general terms and conditions which are to govern UNFPA's assistance to projects for which those organizations have been designated as executing agencies.**

Reporting by staff of inappropriate uses of resources

14. In resolution 46/183, paragraph 17(b), the General Assembly requested the executive heads of United Nations organizations and programmes to "report to the General Assembly at its forty-seventh session, through their respective governing bodies, on the implementation of effective measures to facilitate reporting by staff members on a confidential basis with due regard to considerations of privacy, of any inappropriate use of the resources of the [Fund]".

15. In compliance with the General Assembly resolution, UNFPA sent a circular to all UNFPA staff reminding them of their duties and responsibilities regarding the proper use of public funds, and of the appropriate course of action to take should they become aware of the improper use of such funds. The Fund also continued to urge UNFPA Representatives to arrange for audit exercises on a regular basis and to request special audits or management reviews whenever there are indications of possible financial impropriety. It further encouraged its field staff to report possible cases of fraud or inappropriate use of resources, through appropriate supervisory channels, to the UNFPA Representative in the field and/or, on a confidential basis, to UNFPA headquarters.

B. Recommendations of the Interim Report of the Board of Auditors on UNFPA for the Year Ended 31 December 1990

16. As stated in the introductory paragraphs of this document, no audit opinion was given on the UNFPA financial statements for the year ended 31 December 1990, the first year of the biennium 1990-1991. The United Nations Board of Auditors will issue its report and opinion on the Fund's financial statements on a biennial basis, beginning with the biennium 1990-1991. However, as noted above, in 1990, the Board continued its normal practice of auditing UNFPA operations at headquarters and in field offices, twice during the year, and of issuing a management letter to the Executive Director of the Fund. The Board's report on the 1990-1991 biennium will be submitted to the forty-seventh session of the General Assembly in 1992. In its interim audit report on UNFPA operations for the first year of the current biennium (A/46/5/Add.7), the Board made recommendations on the following matters:

Payment of agency support costs to non-governmental organizations

17. The Board recommended that "means should be established to ensure that non-governmental organizations receive support costs on an equal scheme of assessment and on the basis of actual project expenditures" (para. 6(a)) and that "a clear distinction and separation between direct and indirect administrative support costs should be made to ensure that no unjustified payments for administrative support by non-governmental organizations occur" (para. 6(b)).

18. UNFPA recognizes the need to review, clarify and elaborate its policy on reimbursement of support costs to NGOs. The Fund therefore has established new procedures in this area, which address the following issues:

- How to calculate overheads (that is, the type of costs that should be included in the calculation, and whether such costs should be calculated on the basis of actual project expenditures);
- How to make a clear distinction between direct and indirect costs;
- How to factor into the calculation of support costs reimbursement the complexity of the work required by the project.

19. It is expected that the new procedures will be relatively simple to follow and flexible enough so as to accommodate the great variety of NGOs that cooperate with UNFPA in its population activities, both as recipients of UNFPA assistance for their own programmes and/or as executing agencies of government projects.

Controlling of potential interest income

20. The Board recommended that "further steps should be taken to enhance the control of interest income earned by executing agencies on funds provided by UNFPA" (para. 6(c)). In the financial instructions for the closure of accounts for UNFPA-funded projects, the Fund requested that United Nations executing agencies report any interest income that may have accrued on cash balances of funds remitted by UNFPA to cover UNFPA-funded project activities. UNFPA continues to monitor closely its cash flow operations to avoid accumulation of cash balances with United Nations executing agencies. For the year 1990, UNFPA wishes to report that at the close of the calendar year, the United Nations executing agencies owed $8.1 million to UNFPA, and UNFPA owed approximately $14.1 million to United Nations executing agencies (see document DP/1991/38, annex II).

21. For projects executed by both Governments and NGOs, UNFPA continues to strengthen its administrative control in order to ensure that only cash sufficient for the subsequent three months of a project's activities is advanced to the executing agency concerned. In the case of government-executed projects, the preferred method of funding project activities is being changed from one in which UNFPA advances funds to the Government to cover project costs to one in which UNFPA reimburses the Government for expenditures incurred in the approved project budgets. This is being implemented in cases where liquidity of government funds is not an issue. This funding modality will reduce the operating cash balances held by Governments and thus reduce the amount of the potential interest income that can be earned on UNFPA deposits.

22. In the case of NGO-executed projects, UNFPA issued comprehensive financial guidelines for the closure of the accounts for the year ended 1990, and instructed all NGOs to include on the annual financial reports they submit to the Fund any interest income earned.

Pre-project activities

23. The Board recommended that "provisions should be established warranting that the purpose, scope, duration and necessary inputs of any pre-project activities be specified precisely" (para. 6(d)). The Board also recommended that "the approval authority for pre-project activities should be restricted with regard to the financial volume and the scheduled duration of the actual projects" (para. 6(e)).

24. In regard to the comments concerning pre-project activities, UNFPA agrees with the Board of Auditors that the circumstances under which preparatory assistance may be approved should be more clearly defined, that a clearer delineation between "umbrella" projects and "preparatory assistance" is desirable, and that there is a need to consolidate UNFPA's procedures in this regard. Nonetheless, the Fund feels that the use of both modalities does enhance the flexibility and speed with which UNFPA tries to meet the demands of developing countries.

25. Contrary to the view expressed by the Board, however, UNFPA does not believe either that pre-project activities constitute a commitment of the Fund to approve the final project, or that it might be difficult to discontinue pre-project activities if it is determined that the final project is not feasible. Nor does the Fund believe that there is a risk that advance payments on pre-project activities would not be returned by the executing agency, as the return of unused funds is one of the terms and conditions agreed to under the letter of understanding signed by UNFPA and the executing agency upon the start of the pre-project activity.

26. The Fund also wishes to take this opportunity to clarify the apparent confusion in the interim report of the Board of Auditors with respect to the purpose of the "umbrella project" and that of "pre-project activities". The purpose of an umbrella project, which is formulated in the field by a Country Director or UNFPA Representative, is not to fund pre-project activities, but to hire consultants to formulate, appraise, monitor and evaluate programmes and projects and to fund certain other population-related activities, such as seminars and workshops at the national level. Umbrella projects, unlike pre-project activities, are not intended to cover activities that are designed to lead to full-scale projects; rather they are used to fund short-term activities that are not covered by ongoing projects within the country programme for which a speedy response from the field offices is required. The clearer delineation between the two concepts called for by both UNFPA and the Board will help eliminate such confusion in the future.

Internal financial control

27. The Board recommended that "the existing provisions governing the designation and execution of certifying and approving functions in the field should be revised" (para. 6(f)). The Board also recommended that "the execution of supervisory functions by headquarters regarding the certifying and approving functions in the field has to be strengthened" (para. 6(g)).

28. UNFPA recognizes that financial accountability and responsibility cannot be over-emphasized and that the UNFPA Representative has a critical role to play in monitoring and reporting programme expenditures as well as in maintaining financial discipline in each field office. Under the current arrangements with UNDP in countries without a UNFPA Country Director, UNFPA relies heavily on the UNDP Resident Representative, in his or her capacity as UNFPA Representative, in carrying out its mandate and in coordinating and managing

population assistance. In recent meetings of UNFPA Representatives in Princeton, New Jersey, and at UNDP headquarters in New York, this matter was discussed and its importance stressed.

29. Reaffirming the importance of this issue, UNFPA has reviewed its experience related to the certifying and approving functions, assessing how effectively UNFPA Representatives and UNFPA field staff are performing these functions under conditions of increasingly decentralized approval authority. The Fund is also taking steps to ensure that its guidelines are working as intended, amending them as and when needed. As a basic principle of maintaining effective internal financial control, UNFPA is ensuring that the certifying and approving functions are not carried out by the same staff. This requires, among other things, the careful and systematic review of the list of certifying and approving officers, which UNFPA does in close consultation with the UNDP Division of Finance. In UNFPA field offices that have a Country Director, the Fund has requested that UNFPA Representatives designate the Country Director as certifying officer for obligations and expenditures of UNFPA funds.

30. Furthermore, UNFPA has continued to train its field staff in accounting and financial procedures, including all the elements that are required to ensure sound internal financial control and the appropriate application of UNFPA guidelines on certification and approval of financial transactions. Also, the Fund has sent a circular to all UNFPA field offices reminding staff of the importance of strictly adhering to the current guidelines governing certifying and approving functions. UNFPA is also in the process of reviewing and updating its Finance Manual, which will include a separate chapter on internal financial control and address all the issues related to the certifying and approving functions.

Annex I

Summary of the status of funds of the executing agencies at 31 December 1990 (regular resources)
(US dollars)

OPERATING FUND STATEMENT	UN	ECE	ESCAP	ECLAC	ECA	ESCWA	ILO	TOTAL
Balance as at 31 December 1989	(15,029,859)	233,220	(352,285)	(24,755)	(388,744)	(386,998)	(653,218)	(16,602,639)
Add: Cash drawing from UNFPA	33,922,592	0	2,400,000	2,850,000	5,770,000	820,000	19,185,868	64,948,460
Miscellaneous income	(18,482)	(1,522)	0	0	0	0	30,080	10,076
Deduct: Expenditure for 1990	18,874,251	231,698	2,047,715	2,825,245	5,381,256	433,002	18,562,730	48,355,897
	29,289,638	415,921	2,397,787	2,759,399	5,299,329	808,565	12,860,116	53,830,755
Balance as at 31 December 1990	(10,415,387)	(184,223)	(350,072)	65,846	81,927	(375,563)	5,702,614	(5,474,858)
Represented by: Cash at bank & on hand	7,464	0	106,933	204,496	509,731	0	6,578,572	7,407,196
Accounts receivable	384,421	0	63,632	0	112,258	0	331,744	892,055
	391,885	0	170,565	204,496	621,989	0	6,910,316	8,299,251
Deduct: Accounts payable	3,457,105	118,185	113,501	0	281,253	366,715	942,990	5,279,749
Unliquidated obligations	7,350,167	66,038	407,136	138,650	258,809	8,848	264,712	8,494,360
	10,807,272	184,223	520,637	138,650	540,062	375,563	1,207,702	13,774,109
Balance as at 31 December 1990	(10,415,387)	(184,223)	(350,072)	65,846	81,927	(375,563)	5,702,614	(5,474,858)
STATEMENT OF UNSPENT ALLOCATIONS								
Balance as at 31 December 1989	44,524,840	856,603	3,749,343	4,838,428	4,976,164	46,285	22,166,130	81,157,813
Add: Net allocations issued in 1990	27,350,784	78,092	603,106	1,524,066	895,904	1,316,927	6,479,357	38,248,236
Deduct: Allocations issued for future years	71,875,624	934,695	4,352,469	6,362,494	5,872,068	1,363,212	28,645,487	119,406,049
	37,597,766	511,937	2,073,775	3,830,538	1,124,145	468,750	14,215,735	59,822,646
Allocations issued for 1990	34,277,858	422,758	2,278,694	2,531,956	4,747,923	894,462	14,429,752	59,583,403
Deduct: Allocations utilized in 1990	29,289,638	368,072	2,121,934	2,401,328	4,689,672	715,544	11,380,634	50,966,822
Balance of unspent allocations for current year	4,988,220	54,686	156,760	130,628	58,251	178,918	3,049,118	8,616,581
Add: Allocations issued for future years	37,597,766	511,937	2,073,775	3,830,538	1,124,145	468,750	14,215,735	59,822,646
Balance of unspent allocations as at 31 December 1990	42,585,986	566,623	2,230,535	3,961,166	1,182,396	647,668	17,264,853	68,439,227

Note: The above statement is a summary of the individual financial statements submitted by the executing agencies (excluding trust funds) and does not represent a consolidated statement in accordance with normal accounting procedures.

Annex I (continued)

Summary of the status of funds of the executing agencies at 31 December 1990 (regular resources)
(US dollars)

OPERATING FUND STATEMENT	FAO	UNEP	UNESCO	WHO	UNICEF	UNIDO	UNDP/OPS	TOTAL
Balance as at 31 December 1989	2,226,670	(6,487)	(4,574,345)	(6,718,962)	26,178	(5,700)	0	(9,052,736)
Add: Cash drawing from UNFPA	0	113,720	11,345,965	28,597,733	90,000	5,790	1,215,746	41,368,954
Miscellaneous income	0	0	28,330	80,092	0	0	0	108,422
	2,226,670	107,233	6,799,950	21,958,863	116,178	0	1,215,746	32,424,640
Deduct: Expenditure for 1990	5,682,548	107,409	12,901,685	27,234,173	608,583	0	1,215,746	47,750,144
Balance as at 31 December 1990	(3,455,878)	(176)	(6,101,735)	(5,275,310)	(492,405)	0	0	(15,325,504)
Represented by: Cash at bank & on hand	(2,043,791)	0	242,072	0	0	0	0	(1,801,719)
Accounts receivable	0	14,958	(791,715)	1,249,512	(492,405)	0	41,700	22,050
	(2,043,791)	14,958	(549,643)	1,249,512	(492,405)	0	41,700	(1,779,669)
Deduct: Accounts payable	372,970	8,806	2,312,911	0	0	0	0	2,694,687
Unliquidated obligations	1,039,117	6,328	3,239,181	6,524,822	0	0	41,700	10,851,148
	1,412,087	15,134	5,552,092	6,524,822	0	0	41,700	13,545,835
Balance as at 31 December 1990	(3,455,878)	(176)	(6,101,735)	(5,275,310)	(492,405)	0	0	(15,325,504)
STATEMENT OF UNSPENT ALLOCATIONS								
Balance as at 31 December 1989	9,647,381	180,489	22,738,500	32,851,905	120,227	0	2,157,111	67,695,613
Add: Net allocations issued in 1990	2,053,647	0	7,679,774	19,409,719	8,973,657	0	2,902,450	41,019,247
	11,701,028	180,489	30,418,274	52,261,624	9,093,884	0	5,059,561	108,714,860
Deduct: Allocations issued for future years	5,240,216	96,878	16,158,761	23,921,167	7,258,327	0	3,681,218	56,356,567
Allocations issued for 1990	6,460,812	83,611	14,259,513	28,340,457	1,835,557	0	1,378,343	52,358,293
Deduct: Allocations utilized in 1990	5,091,120	107,409	11,496,849	24,656,929	578,311	0	1,096,854	43,027,472
Balance of unspent allocations for current year	1,369,692	(23,798)	2,762,664	3,683,528	1,257,246	0	281,489	9,330,821
Add: Allocations issued for future years	5,240,216	96,878	16,158,761	23,921,167	7,258,327	0	3,681,218	56,356,567
Balance of unspent allocations as at 31 December 1990	6,609,908	73,080	18,921,425	27,604,695	8,515,573	0	3,962,707	65,687,388

Note: The above statement is a summary of the individual financial statements submitted by the executing agencies (excluding trust funds) and does not represent a consolidated statement in accordance with normal accounting procedures.

Annex I (continued)

Summary of the status of funds of the executing agencies at 31 December 1990 (regular resources)
(US dollars)

OPERATING FUND STATEMENT	GOV'T	UNFPA	NGOs	TOTAL	TOTAL (PAGE 1)	TOTAL (PAGE 2)	GRAND TOTAL
Balance as at 31 December 1989	(1,039,109)	(13,944,617)	(59,026)	(15,042,752)	(16,602,639)	(9,052,736)	(40,698,127)
Add: Cash drawing from UNFPA	31,274,083	27,478,921	20,830,826	79,583,830	64,948,460	41,368,954	185,901,244
Miscellaneous income				0	10,076	108,422	118,498
	30,234,974	13,534,304	20,771,800	64,541,078	48,355,897	32,424,640	145,321,615
Deduct: Expenditure for 1990	33,301,675	25,601,139	20,771,800	79,674,614	53,830,755	47,750,144	181,255,513
Balance as at 31 December 1990	(3,066,701)	(12,066,835)	0	(15,133,536)	(5,474,858)	(15,325,504)	(35,933,898)
Represented by: Cash at bank & on hand	0	0	0	0	7,407,196	(1,801,719)	5,605,477
Accounts receivable	0	0	0	0	892,055	22,050	914,105
	0	0	0	0	8,299,251	(1,779,669)	6,519,582
Deduct: Accounts payable	0	0	0	0	5,279,749	2,694,687	7,974,436
Unliquidated obligations	3,066,701	12,066,835	0	15,133,536	8,494,360	10,851,148	34,479,044
	3,066,701	12,066,835	0	15,133,536	13,774,109	13,545,835	42,453,480
Balance as at 31 December 1990	(3,066,701)	(12,066,835)	0	(15,133,536)	(5,474,858)	(15,325,504)	(35,933,898)
STATEMENT OF UNSPENT ALLOCATIONS							
Balance as at 31 December 1989	54,141,825	45,387,186	27,229,114	126,758,125	81,157,813	67,695,613	275,611,551
Add: Net allocations issued in 1990	60,449,646	23,014,194	22,878,881	106,342,721	38,248,236	41,019,247	185,610,204
	114,591,471	68,401,380	50,107,995	233,100,846	119,406,049	108,714,860	461,221,755
Deduct: Allocations issued for future years	69,422,604	32,537,616	28,834,292	130,794,512	59,822,646	56,356,567	246,973,725
Allocations issued for 1990	45,168,867	35,863,764	21,273,703	102,306,334	59,583,403	52,358,293	214,248,030
Deduct: Allocations utilized in 1990	33,301,675	25,601,139	19,486,089	78,388,903	50,966,822	43,027,472	172,383,197
Balance of unspent allocations for current year	11,867,192	10,262,625	1,787,614	23,917,431	8,616,581	9,330,821	41,864,833
Add: Allocations issued for future years	69,422,604	32,537,616	28,834,292	130,794,512	59,822,646	56,356,567	246,973,725
Balance of unspent allocations as at 31 December 1990	81,289,796	42,800,241	30,621,906	154,711,943	68,439,227	65,687,388	288,838,558

Note: The above statement is a summary of the individual financial statements submitted by the executing agencies (excluding trust funds) and does not represent a consolidated statement in accordance with normal accounting procedures.

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Annex II

Summary of the status of funds of the executing agencies at 31 December 1990 (trust funds)
(US dollars)

OPERATING FUND STATEMENT - TRUST FUNDS	UN	UNDP/OPS	WHO	ILO	UNESCO	FAO	GOVT	UNFPA	NGOs	TOTAL
Balance as at 31 December 1989	(1,406,545)	0	(173,157)	(31,962)	0	220,022	0	(1,031,109)	0	(2,422,751)
Add: Cash drawing from UNFPA	1,324,000	0	1,102,267	304,132	84,035	0	1,664,785	2,375,050	1,214,272	8,068,541
Miscellaneous income	(83)	27,520	0	0	0	0				27,437
	(82,628)	27,520	929,110	272,170	84,035	220,022	1,664,785	1,343,941	1,214,272	5,673,227
Deduct: Expenditure for 1990	5,069,004	27,520	929,110	272,170	84,035	231,098	1,664,785	1,796,376	1,214,272	11,288,370
Balance as at 31 December 1990	(5,151,632)	0	0	0	0	(11,076)	0	(452,435)	0	(5,615,143)
Represented by: Cash at bank & on hand	0	0	0	0	0	71,352				71,352
Accounts receivable	4,872	0	268,366	0	73,568	0				346,806
	4,872	0	268,366	0	73,568	71,352	0	0	0	418,158
Deduct: Accounts payable	25,816	0	0	0	9,668	40,520				76,004
Unliquidated obligations	5,130,688	0	268,366	0	63,900	41,908		452,435		5,957,297
	5,156,504	0	268,366	0	73,568	82,428	0	452,435	0	6,033,301
Balance as at 31 December 1990	(5,151,632)	0	0	0	0	(11,076)	0	(452,435)	0	(5,615,143)
STATEMENT OF UNSPENT ALLOCATIONS										
Balance as at 31 December 1989	800,184	22,895	1,110,506	914,956	189,274	1,004,508	2,490,519	5,790,503	1,285,395	13,608,740
Add: Net allocations issued in 1990	5,868,599	2,247	992,669	41,789	(46,226)	(51,878)	2,379,504	3,807,143	514,499	13,508,346
	6,668,783	25,142	2,103,175	956,745	143,048	952,630	4,870,023	9,597,646	1,799,894	27,117,086
Deduct: Allocations issued for future years	1,246,643	0	1,037,200	553,612	54,201	576,470	3,186,653	5,784,400	495,109	12,934,288
Allocations issued for 1990	5,422,140	25,142	1,065,975	403,133	88,847	376,160	1,683,370	3,813,246	1,304,785	14,182,798
Deduct: Allocations utilized in 1990	4,485,938	24,793	822,221	240,858	74,367	204,336	1,625,776	1,721,637	1,176,682	10,376,608
Balance of unspent allocations for current year	936,202	349	243,754	162,275	14,480	171,824	57,594	2,091,609	128,103	3,806,190
Add: Allocations issued for future years	1,246,643	0	1,037,200	553,612	54,201	576,470	3,186,653	5,784,400	495,109	12,934,288
Balance of unspent allocations as at 31 December 1990	2,182,845	349	1,280,954	715,887	68,681	748,294	3,244,247	7,876,009	623,212	16,740,478

Note: The above statement is a summary of the individual financial statements submitted by the executing agencies and does not represent a consolidated statement in accordance with normal accounting procedures.